

February, 2012

Sales of Yakult to Start in Hyderabad, India

Yakult Honsha Co., Ltd. (Chairman, Representative Director and Chief Executive Officer: Sumiya Hori) today announced that Yakult Danone India Pvt. Ltd. would start selling the Yakult fermented milk drink in Hyderabad, India from February 19, 2012.

Sales in Hyderabad will be a joint operation with Danone which will be entrusted with the delivery of products (part of trunk line distribution from the factory to Hyderabad and distribution and sales to mass retailers).

Hyderabad is a major city of about 5.5 million people in South Central India. It is also India's second major IT city behind Bangalore with an expanding software industry. It is the sixth largest city in India in terms of population and can be considered as a promising market upon accelerating Yakult's business activities in the country.

In India, the business is being handled by Yakult Danone India Pvt. Ltd., in which each of Yakult Honsha Co., Ltd. and France's Groupe Danone (Chairman and CEO: Franck Riboud) has a 50% stake.

The Yakult fermented milk drink was first launched in January 2008 in Delhi and its suburbs and its sales have been subsequently expanded to Mumbai in September 2009 and Bangalore in August 2010, as Yakult Danone India established sales bases in those major cities. Yakult is currently delivered to households or sold at retail stores in India and as of December 2011 the number of stores selling Yakult totaled about 2,100 stores and Yakult Ladies numbered around 230.

Yakult Danone India will start sales through retail stores in Hyderabad and intends to progressively expand to surrounding cities depending on the sales in Hyderabad.

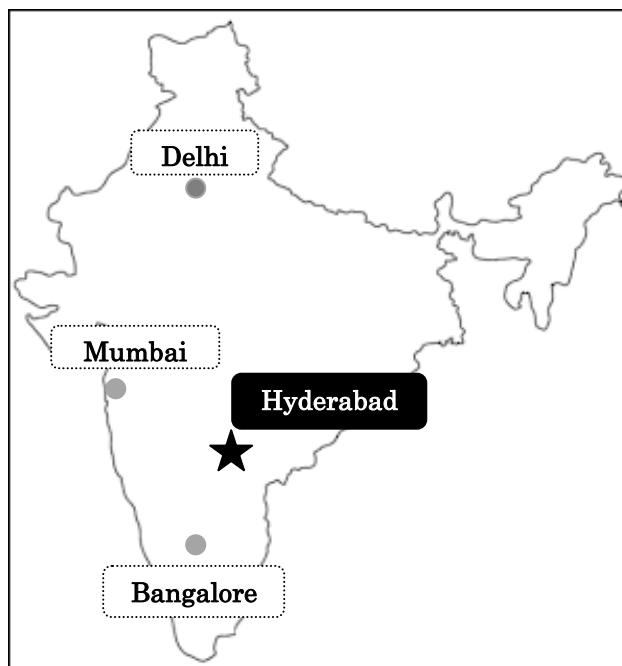
Outline of the sales plan for Hyderabad is as follows:

1. Product name: Yakult
2. Volume/format: 65ml × 5 bottles/polystyrene bottles
3. Suggested retail price: Rs. 50/pack of 5 bottles (about 77 yen)
*Re. 1 = 1.54 yen (exchange rate as of the end of January 2012)
4. Start of sales: February 19, 2012
5. Sales area: Hyderabad and surrounding cities
(Sales area to be expanded progressively to surrounding cities depending on the sales in Hyderabad)

6. Sales channel: Sales at outlets of major chains. To be supplied to an estimated 350 outlets.
*Sales by Yakult Ladies will begin as and when preparations are completed.
7. Sales target: 2,300 bottles per day (annual average for Hyderabad for fiscal year 2012)

[Reference]

1. Sales areas in India



2. Profile of Yakult Danone India Pvt. Ltd.

Name: Yakult Danone India Pvt. Ltd.
Established: October 2005
Location: New Delhi
Capitalization: 204 million rupees
*Investment ratio: Yakult Honsha Co., Ltd. and Danone (Danone Probiotics Pte. Ltd.) own 50% each
Representative: Kiyoshi Oike
Employees: 119
Sales: About 52,000 bottles per day (December 2011)

3. Country profile of India

Population: About 1.0497 billion
Area: About 3,287,590 sq. km. (about 8.4 times the size of Japan)
Capital: New Delhi
Currency: Rupee; 1 Indian Rupee = 1.54 yen (exchange rate as of the end of January 2012)

4. Profile of Hyderabad

Population: 5.53 million
Area: About 217 sq. km
Primary languages: Telugu, Urdu